#### GENERAL ASSEMBLY OF NORTH CAROLINA

#### SESSION 1999

H 4

#### **HOUSE BILL 163\***

Committee Substitute Favorable 7/19/99

Senate Rules and Operations of the Senate Committee Substitute As Amended Adopted 7/20/99

Fourth Edition Engrossed 7/20/99

(Public)

Short Title: 1999 Studies.

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Sponsors:
Referred to:
February 25, 1999
A BILL TO BE ENTITLED  AN ACT TO AUTHORIZE STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION, TO CREATE VARIOUS STUDY COMMISSIONS, TO DIRECT STATE AGENCIES AND LEGISLATIVE OVERSIGHT COMMITTEES AND COMMISSIONS TO STUDY SPECIFIED ISSUES, AND TO AMEND OTHER LAWS.  The General Assembly of North Carolina enacts:
PART I.—-TITLE  Section 1. This act shall be known as "The Studies Act of 1999".

Section 2.1. The Legislative Research Commission may study the topics listed

below. When applicable, the bill or resolution that originally proposed the issue or study

and the name of the sponsor is listed. Unless otherwise specified, the listed bill or

resolution refers to the measure introduced in the 1999 Regular Session of the 1999

PART II.—-LEGISLATIVE RESEARCH COMMISSION

General Assembly. The Commission may consider the original bill or resolution in 1 2 determining the nature, scope, and aspects of the study. The following groupings are for 3 reference only: 4 (1) Governmental Agency and Personnel Issues: 5 Defined contribution pension plan for State employees and 6 teachers (H.B. 39 - Baker). State agencies' customer service quality assurance (H.B. 636 -7 b. 8 Owens). Administrative process for State employee grievances (H.B. 1014 9 c. 10 - Miller). State employee comprehensive compensation system (H.J.R. 11 d. 12 1158 - Nesbitt, Sherrill; S.J.R. 1031 - Reeves). Procurement card pilot program of the Department of 13 e. 14 Administration, including its effectiveness and efficiency, costs 15 and benefits, impact on accounting, budgeting, and purchasing 16 history records, how to identify realized savings, and the 17 feasibility of statewide implementation of the program (Shaw of 18 Cumberland; Wainwright). f. Acquisition of additional parklands at Lake James State Park 19 20 (S.B. 200 - Odom). 21 State government construction projects' review and approval g. 22 Digitization of public records by the Division of State Archives 23 h. 24 (Jeffus). 25 i. Regulation of nondepository trust companies and authorization of family trust companies (S.B. 94 - Warren). 26 27 **(2)** Insurance and Managed Care Issues: Managed care issues, including any willing provider, patients' 28 a rights, managed care entity liability, office of consumer advocacy 29 30 for insurance, prompt payment of health claims, and related issues (S.B. 1089 - Harris, H.J.R. 1461 - Mosley). 31 Mental health and chemical dependency parity (H.B. 713 -32 b. 33 Alexander; S.B. 836 - Martin of Pitt). 34 Health reform recommendations of the Health Care Planning c. 35 Commission and its advisory committees (established by Section 1.2 of Chapter 529 of the 1993 Session Laws) that have not been 36 implemented but are still needed and other health reform issues 37 (Insko). 38 39 d. Pharmacy choice/competition (H.B. 1277 - Cole; S.B. 137 -Rand). 40 **Education Issues:** 41 (3)

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Driver education programs; teen drivers (H.B. 1440 - Mosley).

Seat belts on school buses (H.B. 355 - Mosley).

1 2		c.	Resolution of conflicts between boards of education and county commissioners.
3		d.	School boards review of applicable court orders (H.B. 790 -
4			Gulley).
5 6		e.	Election, terms, and constitution of the Board of Governors of The University of North Carolina (H.B. 1242 - Haire).
7	(4)	Hum	an Resources and Health Issues:
8	(٦)	a.	Long-term care facility licensure compliance (H.J.R. 909 -
9		a.	Mosley).
10		b.	Biannual inspection and grading of adult care homes by county
11			social services departments, including areas and services to be
12			inspected and graded, penalties for failure to meet minimal grade
13			levels, fiscal impact on county social services departments,
14			posting of grade in the adult care home, and related issues (Earle
15			and Sherrill).
16		c.	Medicaid recovery (H.J.R. 102 - Clary; S.J.R. 39 - Purcell).
17		d.	Central registry for living wills and organ donations (H.B. 406 -
18			Fox).
19		e.	Animal vaccination administration (H.B. 595 - Owens; H.B. 329
20			- Tucker).
21		f.	Marriage license laws (H.J.R. 1365 - Hill; H.B. 973 - Hill; S.B.
22			1018 - Dalton).
23		g.	Unvented gas heaters (S.B. 785 - Albertson).
24		h.	Hunger and nutrition (H.B. 1229 - Adams; S.B. 944 - Martin of
25			Guilford).
26		i.	Spaying/neutering of dogs and cats, including funding (H.B. 819
27			- Hensley; S.B. 330 - Kinnaird).
28		j.	Causes and prevention of juvenile crime and delinquency (S.B.
29		3	914 - Rand).
30		k.	Child care subsidy issues not limited to: state implementation of
31			federally mandated biennial market-rate surveys for the child
32			care subsidy program and provider reimbursement formula,
33			under the new five-star rated license, for the child care subsidy
34			program.
35		1.	Spinal manipulation treatment including comparison to spinal
36			mobilization and similar treatments, utilization rates among
37			health care professionals, complications and training.
38		m.	Use of physical and mechanical restraints in certain facilities
39			(S.B. 1086 - Phillips).
40	(5)	Taxa	tion and Economic Development Issues:
41	(-)	a.	Consolidated income tax returns by affiliated corporations,
42			including the legal, fiscal, and other effects of consolidated or
43			combined reporting (H.J.R. 491 - McMahan).
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1 2		b.	Impact of military bases on public services and taxes (Hurley and Warner).	
3		c.	Capital incentive program for tourism (H.J.R. 1483 - Earle).	
4	(6)	Envir	onmental/Agricultural Issues:	
5		a.	Wastewater system construction permits and related issues (H.B.	
6			137 - Culp).	
7		b.	Red imported fire ants, including adverse impacts on health,	
8			environment, land use, and economy, and the feasibility of	
9			increasing control and eradication efforts (PLYLER, Warwick).	
10		c.	Apple industry, including marketing, production, effect of	
11			pesticide control, use of pesticides marketed in other countries,	
12			impact of imported apples and apple products, use of juice	
13			concentrate, and related issues (Justus).	
14		d.	Environmental impacts; sources of pollution (H.B. 1002 -	
15			Warwick).	
16	(7)	Labor	/Employment Issues:	
17		a.	Protection of youth labor in entertainment industry (H.B. 942 -	
18			Goodwin).	
19		b.	Employment security and unemployment insurance tax issues	
20			(H.B. 324 - C. Wilson; Hoyle, Kerr).	
21	(8)	Gove	rnment Regulatory Issues:	
22		a.	Magistrates authority (H.B. 1224 - Baddour).	
23		b.	Telephone solicitation (H.B. 1080 - Allen).	
24	(9)	Trans	portation Issues:	
25		a.	Trucking safety (H.B. 1249 - C. Wilson).	
26		b.	Toll roads.	
27		c.	Municipal participation in road funding.	
28		d.	Pedestrian ferry services (Basnight).	
29	(10)	Consumer protection issues:		
30		a.	Higher cost of credit including (Clodfelter):	
31			1. A review of the licensing and regulatory supervision of	
32			credit sources subject to statutory interest or fee	
33			limitations other than the usury act (G.S. 24) and retail	
34			installment sales act (G.S. 25);	
35			2. The adequacy of consumer protections afforded to	
36			borrowers of these lenders both in state and federal law;	
37			3. Whether legal differences in loan terms, regulation and	
38			consumer protections of similar credit products offered by	
39			federally chartered sources of credit and those lenders	
40			licensed by state agencies should be addressed in state law	
41			to create parity in the credit market;	
42			4. Whether programs exist or should be initiated to educate	
43			the public to promote personal financial literacy;	

1 2 3	5.	Whether marketplace competition, state regulations or law are sufficient to ensure the availability of lower-cost credit for high-risk borrowers who have improved their credit
<i>3</i> Λ		worthiness;
5	6.	Whether consumers who seek high-cost credit are
6	0.	subjected to abusive lending practices or suffer adverse
7		economic consequences as a result of obtaining high-cost
8		loans.
9	b. Casł	n-out transactions used by some check-cashing businesses
10		. 1137 - Martin of Guilford, Shaw of Guilford) and pawn

- shing businesses (S.B. 1137 - Martin of Guilford, Shaw of Guilford) and pawn
- Sale of structured settlements and the effects of Senate Bill 746. c.
- Criminal laws issues: (11)

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- Prohibiting death sentence for mentally retarded persons (S.B. 334 - Ballance).
- b. Prohibiting death sentence obtained on basis of race (S.B. 991 -Ballance).
- Bail bond laws (S.B. 994 Odom, Ballantine; Baddour).
- (12)Real property issues:
  - Development-rights transfer and the creation of developmentrights banks (S.B. 1059 - Clodfelter).
  - Ways to improve the quality of documents recorded in the office b. of the register of deeds (S.B. 873 - Dalton).
- Committee Membership. For each Legislative Research Section 2.2. Commission committee created during the 1999-2001 biennium, the cochairs of the Legislative Research Commission shall appoint the committee membership.
- Section 2.3. Reporting Date. For each of the topics the Legislative Research Commission decides to study under this Part or pursuant to G.S. 120-30.17(1), the Commission may report its findings, together with any recommended legislation, to the 1999 General Assembly, 2000 Regular Session, or the 2001 General Assembly.
- Section 2.4. Funding. From the funds available to the General Assembly, the Legislative Services Commission may allocate additional monies to fund the work of the Legislative Research Commission.

#### PART III.—-NORTH CAROLINA TAX POLICY COMMISSION

Section 3.1. Commission Established. – There is established a North Carolina Tax Policy Commission.

Section 3.2. Membership. – The Commission shall consist of 13 members who shall represent, insofar as practicable, the diverse interests and geographic regions of the State and shall include individuals with expertise in tax policy, tax administration, and professional tax practice.

The Speaker of the House of Representatives shall appoint five members, as follows: two members of the General Assembly, one individual nominated by the North

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41 42 Carolina League of Municipalities, one individual who represents business taxpayers, and one individual who represents senior citizens.

The President Pro Tempore of the Senate shall appoint five members, as follows: two members of the General Assembly, one individual nominated by the North Carolina Association of County Commissioners, one individual who represents nonbusiness taxpavers, and one individual who represents small business taxpavers.

The Governor shall appoint three members, as follows: one individual who represents tax practitioners, one individual who represents nonprofit, charitable organizations, and one individual who has demonstrated leadership and expertise in tax policy.

Appointments to the Commission shall be made no later than August 31, 1999. Vacancies shall be filled by the original appointing authority.

Section 3.3. Mission. – The mission of the Commission is to study, examine, and, if necessary, design a realignment of the State and local tax structure in accordance with a clear, consistent tax policy. This mission requires:

- Establishing the principles of taxation upon which a sound State and (1) local tax structure should be built for the 21st century.
- (2) Examining the current State and local tax structure to determine if it reflects these principles.
- Recommending changes in the State and local tax structure to the extent (3) it does, and does not, reflect these benchmark tax principles.
- Recommending principles and practices to simplify and consolidate (4) existing taxes to provide uniformity; to ease the administrative burden on the taxpayer; to maximize taxpayers' use of electronic tax payment and reporting methods; and to reduce the costs of collecting and administering taxes.

Section 3.4. Duties. – The Commission shall:

- Evaluate the current State and local tax base in terms of: (1)
  - Responsiveness of each base to the changing and emerging economies (e.g., from farming and manufacturing to services, commerce, such as Internet sales, and technology).
  - Rates compared to other states. b.
  - Cost of collecting each tax. c.
  - Tax burden imposed on individuals and businesses in the State. d.
  - Principles of taxation reflected in the tax.
- Examine all current tax preferences, such as lower rates, exemptions, (2) exclusions, and refunds, to determine their public policy purpose; examine the narrowing of the tax base that is a product of these preferences; and evaluate the resulting impact on taxpayers not eligible for these preferences.
- Review tax changes made in the last 10 years to determine their impact (3) on the State compared to their projected impact, and to assess any

economic or demographic conditions on the horizon that may alter their impact.

- (4) Examine the impact of changing intergovernmental (federal-State-local) relationships upon funding among levels of government and the resulting impact upon tax policy; and examine how the State, counties, and cities will share a reduced federal funding role, when, in 2003, the Balanced Budget Act takes full effect and federal domestic spending is fully capped.
- (5) Examine the impact of changing interlocal, (city/county) service systems and the resulting effect on local tax policy; and examine how area-wide services, such as fire suppression, water-sewer, and recreation, should be financed and allocated.

Section 3.5. Report. – The Commission shall submit a final report of its findings and recommendations by March 1, 2001, to the General Assembly, the Governor, and the citizens of the State. The Commission may also make an interim report, including recommended legislation, to the 2000 Regular Session of the 1999 General Assembly, and to the Governor and the citizens of the State. The report shall include draft legislation to implement its recommendations along with an analysis of the fiscal impact of each recommendation. The Commission shall terminate upon filing its final report.

Section 3.6. Expenses of Members. – Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

Section 3.7. Cochairs; Meetings. – Cochairs of the Commission shall be designated by the Speaker of the House of Representatives and the President Pro Tempore of the Senate from among their respective appointees. The Commission shall meet upon the call of the chairs. A majority of the members of the Commission shall constitute a quorum.

The Commission may meet during a regular or special session of the General Assembly, subject to approval of the Speaker of the House of Representatives and the President Pro Tempore of the Senate. The Legislative Services Commission shall grant adequate meeting space to the Commission in the State Legislative Building or the Legislative Office Building.

Section 3.8. Subcommittees. – The Commission may appoint subcommittees of its members and other knowledgeable persons or experts to assist it. It may also appoint a Technical Advisory Board, if deemed desirable by its members to have an ongoing body of technical experts.

Section 3.9. Citizen Participation. – The Commission shall establish a process of citizen education and participation that assures the citizens of North Carolina of the opportunity to be informed of and contribute to the work of the Commission.

Section 3.10. Staff. – Within funds available, the Commission, after consultation with the Legislative Services Commission, shall employ a full-time Executive Director who shall report to the Commission and serve at its pleasure. The

Executive Director shall be the Chief Executive Officer and may employ additional employees and contract for services, subject to approval of the Commission. Additional staff may be provided to the Commission by the Legislative Services Office.

Section 3.11. Powers. – The Commission, while in the discharge of official duties, may exercise all the powers provided under the provisions of G.S. 120-19 through G.S. 120-19.4. The Commission may contract for consultant services as provided by G.S. 120-32.02, including revenue forecasting and estimating services from the Tax Research Division of the Department of Revenue.

Section 3.12. Cooperation by Government Agencies. – The Commission may call upon any department, agency, institution, or officer of the State or any political subdivision of the State for facilities, data, or other assistance.

Section 3.13. Funding. – The Legislative Services Commission may allocate from the General Assembly reserves up to five hundred thousand dollars (\$500,000) for the expenses of the Commission. The Commission may apply for, receive, and accept grants of non-State funds, or other contributions as appropriate to assist in the performance of its duties.

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## PART IV.—-ELECTION LAWS STUDY COMMISSION (S.B. 882 - Gulley; H.B. 1402, H.B. 1073 - Alexander)

Section 4.1. There is created an Election Laws Revision Commission. The Commission shall be composed of 17 members. Twelve members shall be appointed as follows:

- (1) The President Pro Tempore of the Senate shall appoint four members, including at least one county board of elections member, with no more than three of the four affiliated with the same political party.
- (2) The Speaker of the House of Representatives shall appoint four members, including at least one county elections director, with no more than three of the four affiliated with the same political party.
- (3) The Governor shall appoint four members, including at least one county commissioner and at least one minority-party member of the State Board of Elections.

The Chair and the Executive Secretary-Director of the State Board of Elections shall be ex officio members. The State chairs of the three political parties whose nominees for Governor received the largest number of votes in the most recent general election for Governor shall be ex officio members. All members of the Commission, whether appointed or ex officio, shall be voting members.

Section 4.2. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochair of the Commission from their appointees.

- Section 4.3. The Election Laws Revision Commission shall study the following:
  - (1) The election laws, policies, and procedures of the State.

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- (2) The administration of those laws, policies, and procedures at the State and local levels and the responsibilities of those administrating these laws.
- (3) The election laws, policies, and procedures of other States and iurisdictions.
- (4) Federal and State case rulings impinging on these laws, policies, and practices.
- (5) Public funding of election campaigns, including the advisability and proper design of a system to allow public funds to be used to support the campaigns of candidates for Governor, Lieutenant Governor, other Council of State officers, and the General Assembly who agree to abide by fund-raising and spending limits.
- APA exemption for the State Board of Elections. (6)
- **(7)** Preference voting and instant second primaries.

Section 4.4. The Commission shall prepare and recommend to the General Assembly a comprehensive revision of the election laws of North Carolina that will accomplish the following:

- (1) Remove inconsistencies, inaccuracies, ambiguities, and outdated provisions in the law.
- Incorporate in the law any desirable uncodified procedures, practices, (2) and rulings of a general nature that have been implemented by the State Board of Elections or its Executive Secretary-Director.
- Conform the statutory law to State and federal case law and to any (3) requirements of federal statutory law and regulation.
- Ensure the efficient and effective administration of elections in this (4) State.
- Continue the impartial, professional administration of elections, which (5) the citizens of the State expect and demand.
- Recodify the election laws, as necessary, to produce a comprehensive, (6) clearly understandable structure of current North Carolina election law, susceptible to orderly expansion as necessary.

Section 4.5. With the prior approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional staff to assist in the work of the Election Laws Revision Commission and may provide for additional staffing by the State Board of Elections, Office of the Attorney General, and the Institute of Government. With prior approval of the State Board of Elections, the Election Laws Revision Commission may hold its meetings in the offices of the State Board. With the prior approval of the Legislative Services Commission, the Election Laws Revision Commission may hold its meetings in the State Legislative Building or the Legislative Office Building.

Section 4.6. The Commission shall submit a final written report of its findings and recommendations on or before the convening of the 2001 Session of the General Assembly and may submit a report to the 2000 Regular Session of the 1999 General Assembly. All reports shall be filed with the President Pro Tempore of the Senate and the Speaker of the House of Representatives, the Principal Clerks of the Senate and the House of Representatives, and the Legislative Librarian. Upon filing its final report, the Commission shall terminate.

Section 4.7. Members of the Commission shall be paid per diem, subsistence, and travel allowances as follows:

- (1) Commission members who are also members of the General Assembly, at the rate established in G.S. 120-3.1;
- (2) Commission members who are officials or employees of the State or local government agencies, at the rate established in G.S. 138-6;
- (3) All other Commission members, at the rate established in G.S. 138-5.

Section 4.8. All State departments and agencies, local boards of elections, and local governments and their subdivisions shall cooperate with the Commission and, upon request, shall furnish to the Commission and its staff any information in their possession or available to them.

Section 4.9. From funds appropriated to the General Assembly, the Legislative Services Commission may allocate funds for the expenses of the Election Laws Revision Commission.

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## PART V.—-LEGISLATIVE STUDY COMMISSION ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES

Section 5.1. The Implementation Advisory Committee that was created by the Legislative Study Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services may continue its work with the Developmental Disabilities Section of the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, Department of Health and Human Services, to update strategies of the Mental Health Study Commission's Developmental Disabilities Plan. The Implementation Advisory Committee may make its final report to the Legislative Study Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services on or before July 1, 2000, and upon making its final report shall terminate unless extended by the Legislative Study Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services (H.J.R. 627 - Alexander).

Section 5.2. The Legislative Study Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services shall study whether and under what circumstances certain persons committed involuntarily to State psychiatric hospitals should be released under specific conditions. In conducting the study, the Commission shall consider the following:

- (1) The target population for whom conditional release may be appropriate and necessary to protect public safety and enhance patient stability.
- (2) The estimated number of persons who could qualify for conditional release.

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- (3) Criteria for conditional release that are clearly and narrowly defined to ensure that conditional release will apply only to the target population and will not be susceptible to being applied in an overinclusive manner.
- (4) Costs of implementing conditional release, including the need for such additional resources at the area mental health authority level as medication, transportation, case management, and administrative start-up costs.
- (5) The role, duties, and responsibilities of area mental health authorities, 24-hour facilities, courts, and law enforcement agencies. These roles, duties, and responsibilities should be sufficiently and clearly defined to ensure both efficient coordination and communication among these entities and continuity of care for respondents on conditional release.
- (6) The qualifications necessary for personnel monitoring and supervising conditional release and providing treatment to respondents on conditional release.
- (7) The mental health system issues and patient disabilities that currently contribute to patient noncompliance with recommended treatment, and treatment approaches and systems designs that would enhance patient compliance, mental health, and quality of life.
- (8) Any other issues the Commission deems appropriate for the study.

The Commission shall report its findings and recommendations under this Part to the 1999 General Assembly, Regular Session 2000, not later than one week prior to its convening. The Commission's report may include recommended legislation for consideration by the 1999 General Assembly, Regular Session 2000 (H.B. 298 - Hackney).

## PART VI.—-FUTURE OF ELECTRIC SERVICE FUNDING CONTINUATION (H.B. 777 - McComas; S.B. 266 - Hoyle)

Section 6.1. Section 10.1 of S.L. 1997-483 reads as rewritten:

"Section 10.1. Notwithstanding G.S. 62-302(d), all expenses during the 1997-98 and the 1998-99-1997-98, 1998-99, and 1999-2000 fiscal years of the Study Commission on the Future of Electric Service in North Carolina, established in S.L. 1997-40, shall be reimbursed from funds in the Utilities Commission and Public Staff Fund. There is allocated initially one hundred thousand dollars (\$100,000) from the Utilities Commission and Public Staff Fund to the General Assembly for the purpose of enabling the Study Commission on the Future of Electric Service in North Carolina to organize and begin its work. Upon the certification of the need for additional funds by the cochairs of the Study Commission on the Future of Electric Service in North Carolina for the work of the Commission, the Utilities Commission shall transfer the additional funds from the Utilities Commission and Public Staff Fund to the General Assembly for that purpose."

Section 6.2. This Part is effective retroactively to June 30, 1999.

#### PART VII.—-STUDY COMMISSION ON AGING STUDIES

Section 7.1. The North Carolina Study Commission on Aging shall study the issue of annual immunization of residents and employees of nursing homes, adult care homes, and adult day care homes against influenza, and the immunization of residents every five years against pneumococcal disease. In conducting the study, the Commission shall consider the following:

- (1) Requiring that facilities obtain the written, informed consent to immunization by residents and employees.
- (2) Providing for exemptions from immunization on the basis of medical contraindication or religious belief.
- (3) The dates by which annual immunizations should be administered.
- (4) Methods for ensuring facility compliance with immunization requirements, including documentation of immunizations performed.
- (5) Fiscal impact of providing immunizations.
- (6) Any other matters the Commission deems relevant to the study (Insko).

Section 7.2. The North Carolina Study Commission on Aging shall study the rationale and appropriateness of present cost-sharing of nonfederal costs of Medicaid services for all State-County Special Assistance (S.B. 743 - Dalton).

Section 7.3. The Commission shall report its findings and recommendations under this Part, including recommended legislation, to the 1999 General Assembly, Regular Session 2000, not later than May 1, 2000.

## PART VIII.—-JOINT LEGISLATIVE COMMISSION ON SEAFOOD AND AQUACULTURE/SEAFOOD LABELED AS TO ORIGIN (H.B. 953 - Smith)

Section 8.1. The Joint Legislative Commission on Seafood and Aquaculture shall study the desirability and feasibility of requiring seafood entering the State to be labeled as to its state or country of origin. The Joint Legislative Commission on Seafood and Aquaculture shall report its findings and recommendations, if any, to the 2000 Regular Session of the 1999 General Assembly.

#### PART IX.—-ENVIRONMENTAL REVIEW COMMISSION

Section 9.1. The Environmental Review Commission shall study motor vehicle emissions testing and maintenance requirements under Part III of Senate Bill 953 (1999 Regular Session) as they relate to individual counties and shall report its findings and recommendations to the 2000 Regular Session of the 1999 General Assembly (Gibson).

## PART X.—-JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE STUDIES

Section 10.1. The Joint Legislative Transportation Oversight Committee shall study:

(l) The issuance by the Division of Motor Vehicles of motor vehicle titles without recorded liens noted on the title in circumstances in

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which a lien should have been recorded on the motor vehicle title. The Committee shall review the issuance of titles that are applied for at a Motor Vehicle License Plate Agency operated by the Division of Motor Vehicles as well as motor vehicle titles that are applied for at a Motor Vehicle License Plate Agency operated by a private contractor (Plyler).

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Nonbetterment utility relocation costs (H.B. 789 - Goodwin). (2)

Section 10.2. The Joint Legislative Transportation Committee may report any findings and recommendations of its studies under this Part to the General Assembly prior to the convening of the 2000 Regular Session of the 1999 General Assembly, or prior to the convening of the 2001 General Assembly.

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#### PART XI.—-CIVIL LITIGATION STUDY COMMISSION

Section 11.1.(a) The Civil Litigation Study Commission is created. Commission shall consist of 18 voting members: six members to be appointed by the President Pro Tempore of the Senate, six members to be appointed by the Speaker of the House of Representatives, and six members to be appointed by the Chief Justice of the North Carolina Supreme Court. No more than four members appointed by the President Pro Tempore of the Senate and no more than four members appointed by the Speaker of the House of Representatives may be members of the General Assembly. No more than four of the members appointed by any one of the three appointing authorities may be members of the same political party.

Section 11.1.(b) The Commission shall:

- Study all practices and procedures that affect the speed, fairness, and accuracy with which civil actions are disposed of in the trial divisions of the General Court of Justice, including the rules of civil procedure, rules of evidence, other relevant statutes, statewide and local court-adopted rules of practice and procedure, administrative rules, appellate opinions and all other relevant practices, customs, and traditions in the trial courts of North Carolina:
- Devise and recommend improved practices and procedures that (i) (2) reduce the time required to dispose of civil actions in the trial divisions; (ii) simplify pretrial and trial procedure; (iii) guarantee the fairness and impartiality with which the claims and defenses are heard and resolved; and (iv) increase the parties' and the public's satisfaction with the process of civil litigation;
- Raising the amount in controversy that determines the proper division (3) for trial of civil actions and allowing counsel fees as part of costs in certain civil actions (S.B. 955 - Dalton);
- Requiring insurers to provide information prior to litigation requiring (4) policy provisions and policy limits upon written request and giving an insurer who provides such information the option of initiating mediation with the person who sought the information (S.B. 24 - Dalton);

- (5) Allowing prisoners who suffer death or total and permanent disability to receive compensation under the Workers' Compensation Act based on the minimum wage (S.B. 992 Ballance);
- (6) Public duty doctrine issues (Ballance); and
- (7) Liability limitations in an emergency use of an external defibrillator (H.B. 1118 Wright).

Section 11.1.(c) The Commission may report to the General Assembly and the Chief Justice by making an interim report no later than the convening of the 2000 Regular Session and shall make a final report not later than March 1, 2001. The report shall be in writing and shall set forth the Commission's findings, conclusions, and recommendations, including any proposed legislation or court rules. Upon issuing its final report, the Commission shall terminate.

Section 11.1.(d) The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each designate one of their appointees to serve as cochair. The Commission shall meet at such times and places as the cochairs designate. The facilities of the State Legislative Building and the Legislative Office Building shall be available to the Commission, subject to the approval of the Legislative Services Commission. Legislative members of the Commission shall be reimbursed for subsistence and travel expenses at the rates set forth in G.S. 120-3.1. Members of the Commission who are officers or employees of the State shall receive reimbursement for travel and subsistence expenses at the rates set forth in G.S. 138-6. All other members shall receive compensation and reimbursement for travel and subsistence expenses at the rates specified in G.S. 138-5.

Section 11.1.(e) The Commission may solicit, employ, or contract for technical assistance and clerical assistance, and may purchase or contract for the materials and services it needs. Subject to the approval of the Legislative Services Commission, the staff resources of the Legislative Services Commission shall be available to the Commission without cost except for travel, subsistence, supplies, and materials.

Section 11.2. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds to implement the provisions of this Part

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## PART XII.—-JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE STUDY

Section 12.1. The Joint Legislative Education Oversight Committee may study the concept of prekindergarten education including the Bright Beginnings Program in Mecklenburg County (Rucho).

Section 12.2. The Joint Legislative Education Oversight Committee may report to the General Assembly its findings and recommendations of this study not later than the convening of the 1999 General Assembly, 2000 Regular Session, or that of the 2001 General Assembly.

#### PART XIII.—-REVENUE LAWS STUDY COMMITTEE

Section 13.1. The Revenue Laws Study Committee shall study the following issues:

- (1) Regulation and practice of investment advisers including the following (S.B. 1010 Hoyle; Braswell):
  - a. Review and consider the current registration and notice filing procedures and fees required by State law and determine whether the law should be amended to require the disclosure of more information to potential clients of investment advisers to protect the consumers of the State;
  - b. Consider whether there should be established in the Office of the Secretary of State an arbitration program that would administer arbitration of disputes, claims, or controversies arising out of contractual relationships between investment advisers and clients or between investment advisers and those who hold client accounts and clear security transactions. If the study determines that an arbitration program should be established, the proposal should include recommendations regarding the training of arbitrators, the composition of arbitration panels, a policy to make the program self-funding, and a schedule of fees for those who use arbitration services;
  - c. Review the use of internet-based security transactions and how those transactions are regulated by the State and consider the establishment of a clearinghouse in the Office of the Secretary of State through which all internet-based security transactions would be monitored and recorded. If the study determines that a clearinghouse should be established, the proposal should include recommendations regarding the technology required to record those transactions effectively, while maintaining the security of corporate documents and records, and the cost of such technology; and
  - d. Study any other relevant issues.
- (2) Any necessary changes to the Shareholder Protection Act and the Business Corporation Act.

Section 13.2. The Revenue Laws Study Commission may report any findings and recommendations of its studies under this Part to the General Assembly prior to the convening of the 2000 Regular Session of the 1999 General Assembly, or prior to the convening of the 2001 General Assembly.

Section 13.3. From appropriations to the General Assembly, the Legislative Services Commission may allocate funds for the expenses of the Revenue Laws Study Committee under this Part.

#### PART XIV.—-JOB TRAINING STUDY COMMISSION

HOUSE BILL 163\* version 4

Section 14.1.(a) The General Assembly intends to reorganize the State's workforce development system to improve the delivery of job training programs and services in North Carolina.

Section 14.1.(b) There is created a Legislative Study Commission on Job Training Programs. The purpose of the Commission is to review State and federally funded job training programs and services currently in existence to determine the feasibility of eliminating or consolidating those which are duplicative, inefficient, or ineffective in carrying out their purposes and activities.

Section 14.1.(c) The Commission shall consist of six members appointed by the Speaker of the House of Representatives, at least three of whom shall be members of the House of Representatives, and six members appointed by the President Pro Tempore of the Senate, at least three of whom shall be members of the Senate. The Speaker shall designate one Representative as cochair and the President Pro Tempore shall designate one Senator as cochair. Vacancies on the Commission shall be filled by the same appointing officer who made the initial appointment. The Commission shall expire upon delivering its final report.

The Commission, while in the discharge of official duties, may exercise all powers provided for under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may meet at any time upon the joint call of the cochairs. The Commission may meet in the Legislative Building or the Legislative Office Building. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

Section 14.1.(d) The Commission shall have the following powers and duties:

- (1) To review State and federal laws, rules, and regulations pertaining to job training programs to determine the purpose of each program, the population served, and each program's annual outcomes in terms of type of training received, work search efforts, and job placement;
- (2) To ascertain as far as possible the intention of the United States Congress with respect to continued funding of federally mandated job training programs and any changes in funding formulae;
- (3) To review the amount of State and federal dollars appropriated for each job training program conducted in this State and to review federal requirements for continuous federal funding of the programs;
- (4) To review the number of different State agencies that administer State and federal job training programs, the number of persons employed to implement each job training program, and the amount of State dollars needed annually to implement the program;

To determine whether federally funded job training programs in this (5) State may lawfully be abolished or reduced in size by the General Assembly, and the impact of such reduction or elimination; To conduct public hearings to receive citizen, State agency, and local (6) government comment and experience with the job training programs; **(7)** To conduct other studies or activities to aid the Commission in carrying out its purpose and duties, including reviewing reorganization and 

consolidation efforts in other states; and

(8) To ensure program evaluation and accountability for all workforce development programs and to create a comprehensive statewide focus on workforce development.

Section 14.1.(e) The Legislative Study Commission on Job Training Programs may report to the General Assembly, the Joint Legislative Commission on Governmental Operations, and the Joint Legislative Education Oversight Committee not later than the convening of the 1999 General Assembly, 2000 Regular Session, or that of the 2001 General Assembly. The report shall identify each job training program operating in the State and recommend whether each program should be expanded, continued without change, abolished, consolidated with another program, or otherwise modified, including implementation components.

Section 14.1.(f) All State departments and agencies and local governments and their subdivisions shall furnish the Commission with any information in their possession or available to them.

Section 14.1.(g) Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds to implement the provisions of this Part.

# PART XV.—-COMMISSION ON IMPROVING THE ACADEMIC ACHIEVEMENT OF MINORITY AND AT-RISK STUDENTS (S.B. 943 - Martin of Guilford; S.B. 762 - CARTER; H.B. 1116 - WRIGHT; H.B. 536 - MOORE)

Section 15.1.(a) The Commission on Improving the Academic Achievement of Minority and At-Risk Students is created. The Commission shall consist of 22 members as follows:

- (1) Five senators and three public members appointed by the President Pro Tempore of the Senate;
- (2) Five representatives and three public members appointed by the Speaker of the House of Representatives; and
- (3) Six public members appointed by the Governor, who represent groups or individuals with knowledge and experience in advocating, educating, or assisting minority and at-risk students to achieve, at least one of whom is a representative of a statewide nonprofit education advocacy organization that advocates on behalf of minority and at-risk students and at least one of whom is a representative of a statewide organization that represents the interests of African-Americans. In making

appointments to the Commission, the appointing officers shall ensure 1 2 that African-American members have significant representation on the 3 Commission. 4 Section 15.1.(b) Initial appointments to the Commission shall be made before 5 September 15, 1999. The first meeting of the Commission shall be held no later than 6 October 15, 1999. 7 Section 15.2. The President Pro Tempore of the Senate shall designate one 8 senator as cochair and the Speaker of the House of Representatives shall designate one 9 representative as cochair. 10 Section 15.3. The Commission shall be authorized to: Gather accurate and reliable data and research information pertaining to 11 (1) 12 the status of minority and at-risk students in the North Carolina public 13 education system; 14 (2) Identify and visit education programs and other efforts within and 15 outside North Carolina that appear to be successful in yielding significant positive results for minority and at-risk students; 16 17 (3) Consult with higher education faculty members and other persons who 18 have been engaged in extensive research and observation related to 19 these issues and encourage their direct involvement in the activities of 20 the Commission; 21 (4) Conduct hearings throughout the State for the purpose of obtaining meaningful information regarding successful education programs and 22 efforts related to those concerns: 23 Identify, consult, and meet with representatives of national, regional, 24 (5) and State-level organizations and agencies that could be particularly 25 helpful in addressing these concerns; 26 Devise recommendations as to steps that should be taken to address 27 (6) these concerns – steps to be taken separately and collectively by: 28 29 State government agencies; 30 Local government agencies; b. Public schools and higher education institutions; 31 c. organizations, 32 d. Nonprofit including community-based organizations, with a particular emphasis on those with direct ties 33 to families of these children and youth; 34 35 Foundations: e. Religious institutes; f. 36 Civic organizations; 37 g. Business and industry; and 38 h. 39 Other entities. Determine the extent and categories of fiscal and human resources 40 **(7)** needed to address the identified concerns. 41 42 (8) High school graduation standards, including adequacy of course

requirements and related issues.

Section 15.4. In the study, particular emphasis should be placed on programs and efforts that have been successful in imparting:

(1) Improved educational achievement;

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(2) Reduction of school discipline and behavioral problems;
 (3) Reduction of minority and at-risk student dropout rates; and

(4) Improved relations between parents, schools, and students.

Section 15.5. The Commission shall make an interim report of its findings and recommendations to the General Assembly not later than the convening of the 2000 Regular Session of the 1999 General Assembly. The Commission shall submit to the General Assembly a final report of its findings and recommendations of this study not later than the convening of the 2001 General Assembly. Upon filing its final report, the Commission shall terminate.

Section 15.6. The Commission, while in the discharge of official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may meet in the Legislative Building or the Legislative Office Building.

Section 15.7. Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1.

Section 15.8. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02. The Legislative Administrative Officer shall assign professional staff to assist in the work of the Commission. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, upon the direction of the Legislative Services Commission. The expenses relating to the employees shall be borne by the Commission.

Section 15.9. When a vacancy occurs in the membership of the Commission, the vacancy shall be filled by the same appointing officer who made the initial appointment.

Section 15.10. All State departments and agencies and local governments and their subdivisions shall furnish the Commission with information in their possession or available to them.

Section 15.11. The Legislative Services Commission shall allocate funds available to the General Assembly to implement the provisions in this Part.

PART XVI.—JOINT SELECT COMMITTEE ON INFORMATION TECHNOLOGY STUDY USE OF INDIVIDUAL'S PERSONAL INFORMATION CONTAINED IN STATE DATABASES; REPEAL OF AUTHORIZATION TO ALLOW DISCLOSURE OF PERSONAL INFORMATION IN THE DIVISION OF MOTOR VEHICLES

Section 16.1. The Joint Select Committee on Information Technology shall study the extent to which an individual's personal information contained in all State databases, including the Division of Motor Vehicles, is accessible and used by nongovernmental entities and individuals, and the appropriateness of that accessibility and use.

The Committee may report to the 2000 Session of the 1999 Section 16.2. General Assembly and shall file a final report containing its findings and recommendations to the 2001 General Assembly not later than its convening.

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Section 16.3. G.S. 20-43.1, rewritten by Section 27.9.(b) of S.L. 1999-237, reads as rewritten:

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#### "§ 20-43.1. Disclosure of personal information in motor vehicle records.

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The Division shall disclose personal information contained in motor vehicle records in accordance with the federal Driver's Privacy Protection Act of 1994, as amended, 18 U.S.C. §§ 2721, et seq.

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As authorized in 18 U.S.C. § 2721, the Division shall not disclose personal information for the purposes specified in 18 U.S.C. § 2721(b)(11).

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The Division shall not disclose personal information for the purposes specified in 18 U.S.C. § 2721(b)(12) unless the Division receives prior written permission from the person about whom the information is requested. § 2721(b)(12)."

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#### **NATURAL PART** XVII.—-DEPARTMENT OF **ENVIRONMENT** AND **RESOURCES STUDIES**

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Section 17.1. The Department of Environment and Natural Resources shall study:

20 21 22 (1) Issues related to evaluating and improving compliance with the Forest Practice Guidelines Related to Water Quality adopted by the Department of Environment and Natural Resources pursuant to G.S. 113A-52.1 (Kinnaird).

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Current procedures concerning permits issued for open burning in or (2) near woodlands under the protection of the Department of Environment and Natural Resources under Article 4C of Chapter 113 of the General Statutes when the burning is to occur on five or more acres of land and shall determine whether more controls are needed in order to protect the public or the environment, or both (Thomas).

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Section 17.2. The Department shall report its findings and recommendations, including any legislative proposals, to the Environmental Review Commission no later than March 1, 2000.

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### PART XVIII.—-NORTH CAROLINA GOVERNMENT COMPETITION ACT REPEALED

Section 18.1. Article 74 of Chapter 143 is repealed.

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#### PART XIX.—-ERGONOMICS PROGRAM AND STUDY

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Section 19.1.(a) No funds appropriated to the Department of Labor for the 1999-2000 fiscal year or for the 2000-2001 fiscal year shall be used, encumbered, or committed to implement or enforce an ergonomics standard.

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Section 19.1.(b) The Legislative Study Commission Occupational on Musculoskeletal Disorders is created to study the causes, frequency, costs, and prevention

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of occupational musculoskeletal disorders including, but not limited to, sprains, strains, and repetitive motion disorders.

Section 19.1.(c) The Commission shall be comprised of 16 members. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall appoint Cochairs of the Commission. Appointments to the Commission shall be made as follows:

- (1) The President Pro Tempore of the Senate shall appoint four members of the Senate and three members of the general public, one of whom shall be a representative of business or industry management, one of whom shall be a representative of labor, and one of whom shall be a member of the public-at-large.
- (2) The Speaker of the House of Representatives shall appoint four members of the House and three members of the general public, one of whom shall be a representative of business or industry management, one of whom shall be a representative of labor, and one of whom shall be a member of the public-at-large.
- (3) The Commissioner of Labor shall appoint two members from the general public.

Section 19.1.(d) By April 1, 2000, the Commission shall report to the Joint Legislative Commission on Governmental Operations and to the Senate and House Appropriations Subcommittees on Natural and Economic Resources its findings regarding the prevention of occupational musculoskeletal disorders, including recommendations regarding an ergonomics standard.

Section 19.1.(e) Northing in this section shall prohibit the Commissioner from using funds appropriated to the Department of Labor for the 1999-2000 fiscal year or for the 2000-2001 fiscal year to comply with federal law, participate in legislative study commissions, or continue voluntary ergonomics programs.

# PART XX.—-STATE BOARD OF DENTAL EXAMINERS TO DEVELOP PROCEDURES FOR LICENSURE-BY-CREDENTIAL FOR OUT-OF-STATE DENTISTS AND DENTAL ASSISTANTS; REPORT TO GENERAL ASSEMBLY (S.B. 665 - SOLES; H.B. 506 - BRASWELL AND GARDNER)

Section 20.1. The State Board of Dental Examiners shall study, consider, and develop procedures for allowing North Carolina to license-by-credential out-of-state licensed dentist and dental hygienist licensure applicants; it shall develop recommendations for any changes needed in the Dental Practice Act; and it shall prepare to submit proposed rules to implement a sound program for the new licensing pathway.

The Board shall determine how the new procedures should be authorized and developed for the Board to allow less burdensome and more timely entry into the State for qualified out-of-state licensed applicants, while at the same time continuing the same degree of protection of the public as is the case under the current law and procedures.

The Board shall report the results of its work, including any recommended statutory changes, to the General Assembly by May 15, 2000.

## PART XXI.—JOINT SELECT COMMITTEE ON HIGHER EDUCATION FACILITIES NEEDS CREATION

Section 21.1.(a) The Joint Select Committee on Higher Education Facility Needs is created. The Committee shall consist of 20 members: 10 appointed by the President Pro Tempore of the Senate, and 10 appointed by the Speaker of the House of Representatives.

The President Pro Tempore of the Senate shall designate one appointee as cochair and the Speaker of the House of Representatives shall designate one appointee as cochair.

Section 21.1.(b) The Committee shall study the facility needs of The University of North Carolina and the North Carolina Community College System. In the course of study, the Committee shall consider:

- (1) The "University of North Carolina Capital Equity and Adequacy Study and 10-Year Capital Need", by Eva Klein and Associates;
- (2) The MGT of America report entitled "Funding Formula Study: Phase 3 and Phase 4 Reports-North Carolina Community College System";
- (3) Any other relevant reports or studies on higher education facility needs;
- (4) Alternative methods of funding identified facility needs;
- (5) Repair and maintenance needs of higher education facilities;
- (6) Construction systems to maximize efficiency in the construction of higher education facilities; and
- (7) State laws and policies governing the construction, repair, and renovation of higher education facilities.

Section 21.1.(c) The Committee may report its findings, and recommendations to the General Assembly upon the convening of the 2000 Regular Session or of the 2001 General Assembly. Upon filing its final report, the Committee shall terminate.

Section 21.1.(d) The Committee, while in the discharge of official duties, may exercise all the powers provided for under the provisions of G.S. 120-19, and G.S. 120-19.1 through G.S. 120-19.4. The Committee may meet at any time upon the joint call of the cochairs. The Committee may meet in the Legislative Building or the Legislative Office Building.

Section 21.1.(e) Members of the Committee shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1.

Section 21.1.(f) The Committee may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02. The Legislative Services Commission, through the Legislative Administrative Officer, shall assign professional staff to assist in the work of the Committee. The House of Representatives' and the Senate's Supervisor of Clerks shall assign clerical staff to the commission or committee, upon the direction of the Legislative Services Commission. The expenses relating to clerical employees shall be borne by the Committee.

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PART XXIA.—-HOME RULE

Section 21A.1. The Legislative Research Commission may study the issue of home rule powers for cities and counties. Home rule is the delegation of additional power to take additional actions without approval of the General Assembly by local act. The Commission shall study the home rule granted by the Constitution or statutes of other states to ensure granting needed flexibility within a framework of safeguards and oversight.

the vacancy shall be filled by the same appointing officer who made the initial

their subdivisions shall furnish the Committee with any information in their possession or

Section 21.1.(g) When a vacancy occurs in the membership of the Committee

Section 21.1.(h) All State departments and agencies and local governments and

The Commission may report to the 2001 General Assembly on the study authorized by this section.

#### PART XXII.—BILL AND RESOLUTIONS REFERENCES

Section 22.1. The listing of the original bill or resolution in this act is for reference purposes only and shall not be deemed to have incorporated by reference any of the substantive provisions contained in the original bill or resolution.

## PART XXIII.—-EFFECTIVE DATE AND APPLICABILITY

Section 23.1. Except as otherwise specifically provided, this act becomes effective July 1, 1999. If a study is authorized both in this act and the Current Operations Appropriations Act of 1999, the study shall be implemented in accordance with the Current Operations Appropriations Act of 1999 as ratified.